

**§ 1201.5 If a claim is not excluded from these regulations, may it be compromised, suspended, terminated, or waived?**

Nothing in this part precludes:

(a) The compromise, suspension, or termination of collection actions, where appropriate under the FCCS, or the use of alternative dispute resolution methods if they are consistent with applicable law and regulations.

(b) An employee from requesting waiver of an erroneous payment under 5 U.S.C. 5584, 10 U.S.C. 2774, or 32 U.S.C. 716, or from questioning the amount or validity of a debt, in the manner set forth in this part.

**§ 1201.6 What is a claim or debt?**

A claim or debt is an amount of money, funds, or property that has been determined by an agency official to be due the United States from any person, organization, or entity except another Federal agency (see § 1201.3).

**§ 1201.7 Why does NARA have to collect debts?**

Federal agencies are required to try to collect claims of the Federal Government for money, funds, or property arising out of the agency's activities.

**§ 1201.8 What action might NARA take to collect debts?**

(a) There are a number of actions that NARA is permitted to take when attempting to collect debts. These actions include:

(1) Salary, tax refund or administrative offset, or administrative wage garnishment (see subparts C, D, E, and F of this part respectively); or

(2) Using the services of private collection contractors.

(b) In certain instances, usually after collection efforts have proven unsuccessful, NARA transfers debts to the Treasury for collection or refers them to the DOJ for litigation (see §§ 1201.10 and 1201.11).

**§ 1201.9 What rights do I have as a debtor?**

As a debtor you have several basic rights. You have a right to:

(a) Notice as set forth in these regulations (see § 1201.14);

(b) Inspect the records that NARA has used to determine that you owe a debt (see § 1201.14);

(c) Request review of the debt and possible payment options (see § 1201.17);

(d) Propose a voluntary repayment agreement (see § 1201.19); and/or

(e) Question if the debt is excluded from these regulations (see § 1201.5(b)).

**Subpart B—General Provisions.**

**§ 1201.10 Will NARA use a cross-servicing agreement with the Department of the Treasury to collect its claims?**

(a) NARA may enter into a cross-servicing agreement that authorizes the Treasury to take the collection actions described in this part on behalf of NARA. This agreement will describe procedures that the Treasury uses to collect debts. The debt collection procedures that the Treasury uses are based on 31 U.S.C. chapter 37.

(b) NARA must transfer to the Treasury any debt that has been delinquent for a period of 180 days or more so that the Secretary of the Treasury may take appropriate action to collect the debt or terminate collection action. NARA may also transfer to the Treasury any debt that is less than 180 days delinquent.

(c) Paragraph (b) of this section will not apply to any debt or claim that:

(1) Is in litigation or foreclosure;

(2) Will be disposed of under an approved asset sales program;

(3) Has been referred to a private collection contractor for collection for a period of time acceptable to the Secretary of the Treasury;

(4) Is at a debt collection center for a period of time acceptable to the Secretary of the Treasury;

(5) Will be collected under internal offset procedures within 3 years after the date the debt or claim is first delinquent; or

(6) Is exempt from this requirement based on a determination by the Secretary of the Treasury.

**§ 1201.11 Will NARA refer claims to the Department of Justice?**

NARA will refer to DOJ for litigation claims on which aggressive collection actions have been taken, but which

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could not be collected, compromised, suspended, or terminated. Referrals will be made as early as possible, consistent with aggressive NARA collection action, and within the period for bringing a timely suit against the debtor.

### **§ 1201.12 Will NARA provide information to credit reporting agencies?**

(a) NARA will report certain delinquent debts to appropriate consumer credit reporting agencies by providing the following information:

(1) A statement that the debt is valid and overdue;

(2) The name, address, taxpayer identification number, and any other information necessary to establish the identity of the debtor;

(3) The amount, status, and history of the debt; and

(4) The program or pertinent activity under which the debt arose.

(b) Before disclosing debt information to a credit reporting agency, NARA:

(1) Takes reasonable action to locate the debtor if a current address is not available;

(2) Provides the notice required under § 1201.14 if a current address is available; and

(3) Obtains satisfactory assurances from the credit reporting agency that it complies with the Fair Credit Reporting Act (15 U.S.C. 1681 *et seq.*) and other Federal laws governing the provision of credit information.

(c) At the time debt information is submitted to a credit reporting agency, NARA provides a written statement to the reporting agency that all required actions have been taken. In addition, NARA thereafter ensures that the credit reporting agency is promptly informed of any substantive change in the conditions or amount of the debt, and promptly verifies or corrects information relevant to the debt.

(d) If a debtor disputes the validity of the debt, the credit reporting agency refers the matter to the appropriate NARA official. The credit reporting agency excludes the debt from its reports until NARA certifies in writing that the debt is valid.

(e) NARA may disclose to a commercial credit bureau information con-

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cerning a commercial debt, including the following:

(1) Information necessary to establish the name, address, and employer identification number of the commercial debtor;

(2) The amount, status, and history of the debt; and

(3) The program or pertinent activity under which the debt arose.

### **§ 1201.13 How will NARA contract for collection services?**

NARA uses the services of a private collection contractor where it determines that such use is in NARA's best interest. When NARA determines that there is a need to contract for collection services, NARA:

(a) Retains sole authority to:

(1) Resolve any dispute with the debtor regarding the validity of the debt;

(2) Compromise the debt;

(3) Suspend or terminate collection action;

(4) Refer the debt to the DOJ for litigation; and

(5) Take any other action under this part;

(b) Requires the contractor to comply with the:

(1) Privacy Act of 1974, as amended, to the extent specified in 5 U.S.C. 552a(m);

(2) Fair Debt Collection Practices Act (15 U.S.C. 1692-1692o); and

(3) Other applicable Federal and State laws pertaining to debt collection practices and applicable regulations of NARA in this part;

(c) Requires the contractor to account accurately and fully for all amounts collected; and

(d) Requires the contractor to provide to NARA, upon request, all data and reports contained in its files related to its collection actions on a debt.

### **§ 1201.14 What should I expect to receive from NARA if I owe a debt to NARA?**

(a) NARA will send you a written notice when we determine that you owe a debt to NARA. The notice will be hand-delivered or sent to you at the most current address known to NARA. The notice will inform you of the following: